

ARTICLE APPEARED
ON PAGE 4BOSTON GLOBE
9 July 1985

Retired major general goes on trial for allegedly misusing CIA funds

From Wire Services

WEST PALM BEACH, Fla. - After 2½ years of delays caused mostly by the secrecy surrounding the case, a jury was seated yesterday for the embezzlement trial of a retired Air Force officer accused of misusing a \$450,000 Swiss bank account set up to finance military and CIA undercover operations.

The retired officer, Maj. Gen. Richard B. Collins, 55, of Fort Lauderdale, will be tried by a 12-member jury before US District Judge James Paine.

Depositions by former Secretary of State Alexander M. Haig and other witnesses will be read at the trial, lawyers said. Collins was an aide to Haig when the former secretary of state was supreme commander of NATO.

Besides military secrecy, the case has been shrouded by Swiss banking laws, which shield depositors. But depositions from three bankers will be read.

Collins, a former fighter pilot who rose through Air Force ranks during the 1960s and 1970s, was indicted in January 1983 on six counts. If convicted on all charges, he could be sentenced to 60 years in prison and fined \$60,000.

The indictment, returned four days before the five-year statute of limitations ran out, charged Col-

lins with embezzling from a covert \$450,000 government bank account in Geneva.

The government charged that Collins moved the secret money into interest-bearing accounts, then skimmed \$19,000 of the interest for his own use.

Four charges noted specific withdrawals Collins made between 1975 and 1978. The last count accused the general of misappropriating more than \$100.

A defense attorney, Stephen Bronis, said the government

based its case on weak circumstantial evidence, such as the gold-colored sports car Collins drove and his penchant for entertaining while based in West Germany.

The retired officer, living on a \$40,000 annual pension after 26 years in the military, said last week he welcomed the trial as a chance to prove his innocence.

"Nobody from the Air Force or Department of Defense ever contacted me and asked me to come in and explain what went on," Collins said.

"You work for somebody for 26 years, you're recognized when you retire, and then charges are leveled and you're not called in. It's rather disappointing," he said. "It's lack of loyalty, to me."

The secrecy surrounding the bank account has slowed the case because of government concerns that security secrets could be divulged. Much of the case record has been locked in the judge's safe.

Paine, however, has refused to hold the trial behind closed doors. And he rejected a defense motion last week to dismiss the charges.

Collins said he remains loyal and will not resort to "graymail," or threatening to release classified information unless the charges are dropped.